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TO: Arun Sinha DATE: August 21, 1995

FROM: Amy Friedland

SUBJECT: Why GPC Presentation Follow Up

During the presentation on the Why GPC research, questions were raised concerning differences by region and box vs. soft pack the attached charts address these questions.

Overall, GPC has a stronger image in regions 3 and 5, while Basic fairs best in region 4. Additionally, GPC has somewhat more of an edge among box smokers than Basic, which may be due to the fact the Basic does not have a box packing.

Differences by Region

All of the interviews were conducted in strong GPC markets. Therefore, we can only analyze the data from regions 3,4, and 5.

GPC's strengths in imagery and size are clearly in regions 3 and 5. The brand is recognized in these regions as being the number one discount brand, the most noticeable, growing in popularity and the brand most likely to find in the store. Additionally, GPC is perceived as advertising the most in region 5, which is no surprise since that is where they concentrate their advertising spending. On the other hand, as expected, Basic's strength is in region 4.

In GPC's strongest regions, Basic is viewed as offering more coupons and special deals, specifically incentives and coupons.

In all three regions, GPC is perceived as the lowest priced brand. However, if all discount brands were priced the same, Basic and GPC are equally desirable in regions 4 and 5, while GPC is more desirable in region 3.

On the attribute ratings, Basic and GPC are rated similarly on all attributes, with the exception of region 5 where GPC is higher.

Differences by Box vs. Soft Pack

Smokers perceive GPC to be the discount brand growing in popularity and to be the most noticeable discount brand.

No one brand is perceived as the coupon/incentive leader because several brands are viewed as having promotional activity (Basic, Cambridge, Doral and GPC).

GPC is perceived to be the lowest price in the store among both types of smokers.

In terms of attribute ratings, box smokers rate GPC higher in terms of quality, taste, burn rate, smoothness and appearance of pack. However, among soft pack smokers both brands are rated similarly.

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